

Economics 275 -- Environmental Economics
Georgetown University Department of Economics
Spring 2004, MW 10:15-11:30 Walsh 394

Professor: Arik Levinson

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Office Hrs: Monday/Wednesday

2:00-3:15 or by appointment.

Prerequisite: Econ 001 (Principles of microeconomics).

Resources:

1. *Environmental and Natural Resource Economics*, Sixth Edition by Tom Tietenberg (Pearson Addison Wesley, 2002) ISBN: 020177027X. It lists for \$110, but you can find it used on-line for much less.
2. Kennedy School case studies. They can be purchased on-line at <http://www.ksgcase.harvard.edu/>
3. Occasional articles, distributed via the class web site: http://www.georgetown.edu/faculty/aml6/econ_275.htm

Requirements:

Two problem sets (5% each)

Two KSG case studies (12.5% each): We will discuss case studies designed by the Kennedy School of Government. On the day that each is to be discussed in class, students are to prepare "talking point" memos summarizing key features of the cases under analysis, and answering the decision question posed by the professor.

Midterm exam (25%): Wednesday March 3 during class.

Final exam (40%): Thursday May 13, 12:30 - 2:30 PM.

Missed work: No late assignments will be accepted, and there will be no makeup midterms. If a problem set is missed, the other problem set will count for 9% of the course grade. If a case memo is missed, the other case memo will count for 22% of the course grade. If the midterm exam is missed, the final exam will count for 65% of the course grade.

Assignment due dates:

- Problem set #1 Wednesday Feb 4
- Case memo #1 Wednesday Feb 18 "Saving the Tuolomne" KSG case #701
- Midterm exam March 3, in class.
- Problem set #2 Wednesday April 7
- Case memo #2 Wednesday April 21 "Arsenic in drinking water" KSG case #1680
- Final exam Thursday May 13, 12:30 - 2:30 PM.

Preliminary list of topics and reading assignments

(Additional or alternative readings may be added as the semester progresses.)

1. Economic tools
Tietenberg ch. 2, 4
2. Measuring benefits
Tietenberg ch. 3
Chay and Greenstone "Does air quality matter?"
Portney "The contingent valuation debate"
3. Policy instruments
Tietenberg ch. 15-16
Fullerton "A framework to compare environmental policies"
Oates, Portney, and McGartland. "The *Net* Benefits of Incentive-Based Regulation"
4. Renewable resources
Tietenberg ch. 12-13
5. Air pollution
Tietenberg ch. 16
Henderson "Effects of Air Quality Regulation"
6. Regulating cars
Tietenberg ch. 18
Fullerton and West "Tax and subsidy combinations for the control of car pollution"
7. Global warming
Tietenberg ch. 17
Mendelsohn, Nordhaus and Shaw "The impact of global warming on agriculture"
8. Solid waste
Tietenberg ch. 9
Fullerton and Kinnaman "Household responses to pricing garbage by the bag"
9. International trade
Grossman and Krueger "Environmental impacts of NAFTA"
Levinson and Taylor "Unmasking the pollution haven effect"
10. Growth and the environment
Tietenberg ch. 22
Levinson and Hilton "Factoring the environmental Kuznets curve"
Grossman and Krueger "Economic growth and the environment"
Levinson "Ups and downs of the environmental Kuznets curve"
11. Environmental justice
Tietenberg ch. 21
Wolverton "Does race matter?"